

**Statement of  
The Honorable Anthony J Principi  
Secretary  
Department of Veterans Affairs  
on VA Health Care for  
Filipino World War II Veterans  
Before the  
Subcommittee on Health  
Committee on Veterans' Affairs  
U. S. House of Representatives**

**June 13, 2002**

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Mr. Chairman, I thank you for this opportunity to speak to the Subcommittee regarding health care for Filipino veterans. With me today is Mr. Jack Thompson, Deputy General Counsel.

Before I address the subject of today's hearing, let me first reiterate what has been said concerning last November's meeting between President Bush and President Arroyo of the Philippines. In commemorating the 50th anniversary of the signing of the U.S. Philippine Mutual Defense Treaty, they reaffirmed the strength and warmth of bilateral relations and agreed that the alliance of the United States and the Philippines remains vital to both nations, particularly in the wake of the September 11 attacks. Their meeting was characterized by sincerity and candor and heralded a new era of comprehensive cooperation and friendship between the United States and the Philippines. President Bush also agreed to review the services and benefits that the United States provides for Filipino veterans, and that review has already yielded results.

Mr. Chairman, I am second to none in my admiration of the sacrifices made by Filipinos during World War II. These brave soldiers were called on to defend the Philippine people against superior forces, and, in the face of what should have been a devastating loss, they performed magnificently. The world is

indebted to Filipino veterans for their contribution to the Allied victory in World War II.

The Department of Veterans Affairs (VA) has long recognized the unique status and contributions of Filipino veterans. During World War II, the Philippine Islands was a U.S. territory, and its troops fought under U.S. command. There has been no other similar arrangement in recent American history. The special circumstances of Filipino veterans have also been recognized in law. Soon after World War II, legislation was enacted making disabled Filipino veterans and their survivors eligible for compensation at the rate of one Philippine peso for each dollar of compensation authorized. A later change authorized compensation at half the rate paid to U.S. veterans and survivors. In late 2000, Congress increased the rate of compensation for certain Filipino veterans and expanded access to health care and burial services.

Specifically with regard to health care, prior to October 27, 2000, the law authorized VA to provide care in the Manila Outpatient Clinic only for the service-connected conditions of U.S. veterans. The term "U.S. veterans" includes members of the Old Philippine Scouts. With enactment of Public Law 106-377 in October of 2000, Congress authorized VA to begin providing care in the clinic for the non-service-connected conditions of those same U.S. veterans. Filipino veterans, however, including Commonwealth Army veterans and New Philippine Scouts, are not eligible for VA health care in the Philippines. The Philippine Government provides health care to eligible Filipino veterans.

The law regarding care of Filipino veterans residing in the United States also changed. Prior to the enactment of Public Law 106-377, VA was authorized to provide care in the United States only for the service-connected conditions of Commonwealth Army veterans, members of recognized guerilla groups, and New Philippine Scouts. Public Law 106-377 authorized VA to begin providing hospital care, nursing home care, and medical services to veterans of the Commonwealth Army and recognized guerilla forces who have service-connected disabilities on the same basis as U.S. veterans. In short the change allowed these veterans to seek care for their non-service-connected conditions.

The change in law did not expand eligibility for New Philippine Scout veterans. They continue to be eligible for care in the United States only on a discretionary basis (within the limits of VA resources) and only for service-connected disabilities.

Mr. Chairman, legislation currently pending before the House and the Senate would further expand benefit eligibility for Filipino veterans and their survivors. In that regard, I am pleased to inform the Committee that, in our April 25 letter, addressed to Chairman Rockefeller of the Senate Committee on Veterans' Affairs, on S. 1042, the Department expressed the Administration's support for the following enhancements in benefits to Filipino veterans and their survivors:

- payment of the full service-connected disability compensation rates to former new Philippine Scouts who reside in the United States and are either citizens of the United States or are aliens lawfully admitted for permanent residence in the United States and payment of the full dependency and indemnity compensation (DIC) rates to surviving spouses of veterans of the Commonwealth Army, recognized guerillas, or New Philippine Scouts who reside in the United States and are either citizens of the United States or are aliens lawfully admitted for permanent residence in the United States; and
- providing comprehensive care on the same basis as for U.S. veterans for veterans of the Commonwealth Army, recognized guerilla forces and New Philippine Scouts who are residing in the United States and are either citizens of, or aliens lawfully admitted for permanent residence in, the United States, regardless of whether they have service-connected disabilities.

We note that these increases in payments of compensation and DIC are subject to PAYGO requirements of the Omnibus Budget Reconciliation Act of 1990 and our support of expansion of health care eligibility is conditional on Congress providing the funding necessary for implementation and remaining within the total discretionary spending levels in the President's FY 2003 budget.

Mr. Chairman, VA continues to work with the White House to explore opportunities to enhance our assistance to Filipino veterans. Section 1731 of Title 38 authorizes the President to assist the Republic of the Philippines in fulfilling its responsibilities in providing medical care and treatment for Commonwealth Army veterans and new Philippine Scouts. I am working to utilize this authority to provide grants of equipment, as well as assistance in installation and maintenance of the equipment, to the Philippine government to improve care at the Veterans Memorial Medical Center in Manila. I anticipate the equipment grants would be for \$500,000 per year.

Mr. Chairman, we look forward to working with Congress to provide appropriate benefits and services for this deserving group of individuals. I personally support the proposal to include former members of the New Philippine Scouts in the ranks of Filipino veterans who are eligible for burial benefits. I believe enactment of legislation to provide for those benefits is possible if the number of beneficiaries, and hence the cost of enactment, is so small that enactment would not trigger the PAYGO requirements of the Omnibus Budget Reconciliation Act of 1990.

This concludes my statement, Mr. Chairman. I would be happy to answer any questions that you or members of the Subcommittee may have.